

1 DENTONS US LLP
2 Jeffrey L. Bleich (Bar No. 144340)
3 jeffrey.bleich@dentons.com
4 Kelly D. Fair (Bar No. 245408)
5 kelly.fair@dentons.com
6 Kate E. Hart (Bar No. 275121)
kate.hart@dentons.com
7 One Market Plaza, Spear Tower, 24th Floor
San Francisco, California 94105
Telephone: (415) 267-4000; Facsimile: (415) 267-4198

8 Attorneys for Plaintiff GUAYAKÍ SUSTAINABLE RAINFOREST PRODUCTS, INC.

9
10
11 UNITED STATES DISTRICT COURT
12 NORTHERN DISTRICT OF CALIFORNIA

13
14
15 GUAYAKÍ SUSTAINABLE RAINFOREST
16 PRODUCTS, INC., a California Corporation;

Case No.

17 Plaintiff,

18 v.
19
20
21
22
23
24
25
26
27
28
**COMPLAINT FOR INJUNCTIVE
AND OTHER RELIEF BASED ON
TRADE DRESS INFRINGEMENT
AND UNFAIR COMPETITION**

29 NEW AGE BEVERAGES
CORPORATION, a Colorado Corporation;

DEMAND FOR JURY TRIAL

MARLEY BEVERAGE COMPANY, LLC,
a Michigan Limited Liability Company;

Defendants.

Plaintiff GUAYAKÍ SUSTAINABLE RAINFOREST PRODUCTS, INC., a California corporation (“GUAYAKÍ”), by and through its undersigned Counsel, files its Complaint against Defendants NEW AGE BEVERAGES CORPORATION (“NEW AGE”) and MARLEY BEVERAGE COMPANY, LLC (“MARLEY”) (collectively, “Defendants”). In support of its Complaint, GUAYAKÍ alleges as follows:

1. In 1996, GUAYAKÍ created the now-emerging yerba mate segment of the beverage industry. Recognizing that people were in need of a nourishing source of energy produced and

DENTONS US LLP
ONE MARKET PLAZA, SPEAR TOWER, 24TH FLOOR
SAN FRANCISCO, CALIFORNIA 94105
(415) 267-4000

1 marketed in a socially responsible manner, GUAYAKÍ immediately distinguished itself by
 2 launching a premium, sustainably harvested, forest-grown, fair-trade, organic yerba mate. In order
 3 to celebrate the cultural and traditional source of its products, and instill healthy, positive, and
 4 energetic feelings in consumers, GUAYAKÍ yerba mate was distributed in a unique and distinctive
 5 packaging, one that could be distinguished easily from others that might appear on the shelves.
 6 GUAYAKÍ's strategy worked. In the more than 20 years that have passed, the GUAYAKÍ brand
 7 has become synonymous with high quality, yerba mate, sustainable and responsible production and
 8 distribution practices, fair-trade, and a business model that centers on the welfare of all people in the
 9 supply chain. Only GUAYAKÍ offers forest shade-grown yerba mate that is certified organic, fairly
 10 traded and sustainably produced.

11 2. Defendant MARLEY is a newcomer to the yerba mate market. MARLEY was
 12 recently acquired by NEW AGE, a former distributor of GUAYAKÍ yerba mate. Instead of
 13 branding and marketing Defendants' products to associate with attributes of MARLEY or NEW
 14 AGE, Defendants are attempting to capitalize on and misappropriate the well-established goodwill
 15 and reputation associated with GUAYAKÍ products by entering the market with a confusingly
 16 similar package to GUAYAKÍ's. NEW AGE's "Marley" yerba mate is distributed in a can that
 17 mimics GUAYAKÍ's packaging and trade dress, yet conspicuously lacks any clear identification of
 18 NEW AGE as its source and omits MARLEY's classic depiction of reggae singer Bob Marley as an
 19 identifier.

20 3. Defendants' conduct and infringement of GUAYAKÍ's packaging and trade dress in
 21 an effort to confuse consumers violates the Lanham Act and California statutory and common law
 22 prohibiting trade dress infringement and unfair competition.

PARTIES

24 4. Plaintiff GUAYAKÍ is a California corporation with its principal place of business and
 25 headquarters in Sonoma County, California.

26 5. GUAYAKÍ produces and distributes organic, fair-trade yerba mate under the
 27 GUAYAKÍ brand name. GUAYAKÍ brand yerba mate is sold throughout the United States.

6. Defendant NEW AGE BEVERAGES CORPORATION, upon information and belief, is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business at 1700 East 68th Avenue, Thornton, Colorado 80229.

7. Defendant MARLEY BEVERAGE COMPANY, LLC, upon information and belief, is a limited liability company organized and existing under the laws of the State of Michigan, with its principal place of business at 27777 Franklin Rd., Suite 1640, Southfield, Michigan 48034.

8. Upon information and belief, NEW AGE acquired the assets of MARLEY, including "Marley" yerba mate, which has been produced and promoted by MARLEY and/or NEW AGE, and for which distribution by NEW AGE begins in August 2017.

JURISDICTION AND VENUE

9. This Court may exercise jurisdiction over Defendants because Defendants regularly transact business in California, and the causes of action alleged herein arose in whole or in part in California.

10. This Complaint alleges claims under the Lanham Act, making jurisdiction proper in this Court pursuant to Title 28 U.S.C. §§ 1331, 1338, and 1367. The Complaint also alleges state law claims under California law that are so related to the federal question claim under the Lanham Act that they form part of the same case and controversy, thereby making the exercise of supplemental jurisdiction under Title 28 U.S.C. § 1337 appropriate and a service of judicial economy, convenience, and fairness to the parties.

11. GUAYAKÍ is a California resident and markets and sells its GUAYAKÍ organic, fair-trade yerba mate in and from the State of California.

12. Upon information and belief, Defendants promote, market, distribute, and sell or will sell their products, including Marley yerba mate, in the State of California.

13. Venue is proper in this district pursuant to Title 28 U.S.C. § 1391(b) because Defendants conduct substantial business in this judicial district.

14. Venue is also properly laid in this judicial district pursuant to Title 28 U.S.C. § 1391(b) on the ground that the infringing acts alleged herein arose, in whole or in part, within this

1 judicial district. Defendants advertise goods bearing the infringing trade dress and, upon
 2 information and belief, market and intend to make sales in this judicial district.

BACKGROUND

The Emergence of Yerba Mate as an Industry

5 15. Yerba mate is a plant, which when dried and steeped, is used to make an herbal tea
 6 which also commonly goes by the names “yerba” or “mate”. Well known for its nutritional benefits,
 7 yerba mate is a hydrating beverage distinctive and delicious in taste, which has the strength of
 8 coffee, the health benefits of tea, and the euphoria of chocolate all in one beverage. Of the six
 9 commonly used stimulants in the world: coffee, tea, kola nut, cocoa and guarana, yerba mate
 10 triumphs as the most balanced, delivering both energy and nutrition.

11 16. Yerba mate has long been a popular drink in South American countries, particularly
 12 Argentina, Paraguay, Uruguay, and Southern Brazil, where it is the national drink. Yerba mate is
 13 traditionally consumed from a gourd through a stainless steel straw, and features prominently in
 14 local cultural rituals, as the gourd will be passed from person to person during gatherings.

15 17. In recent years, the popularity of healthy, organic, and caffeinated beverages has
 16 grown exponentially and the yerba mate industry is exploding into a fast-growing beverage category
 17 in the United States.

The Guayakí Story and Brand

19 18. GUAYAKÍ was founded in 1996 by two like-minded entrepreneurs who wanted to
 20 share their love of yerba mate with the world, with a vision of protecting and restoring the South
 21 American rainforests and empowering the native forest people. The two co-founders were quickly
 22 joined by three other pioneering partners to round out the original founding seed group. The
 23 GUAYAKÍ group channeled their activist mentality into the creation of a new restorative business
 24 model, which directly marketed core values of reforestation and fair-trade to consumers, calling for
 25 their participation in the movement through purchasing GUAYAKÍ yerba mate.

26 19. The GUAYAKÍ group dedicated themselves to making and marketing organic, fair-
 27 trade yerba mate the mainstream energy source of choice, and proving that a company can be
 28 profitable while operating sustainably.

1 20. GUAYAKÍ yerba mate was developed with these core philosophies and marketed to
 2 consumers who were invited to support GUAYAKÍ environmental and fair-trade efforts and enjoy
 3 the highest quality yerba mate beverage.

4 21. The GUAYAKÍ yerba mate products are themselves unique. Unlike most yerba mate
 5 products, which are commercially grown in direct sunlight for maximum yield and are mono-
 6 cultivations which deplete soil and lack biodiversity, GUAYAKÍ's yerba mate is cultivated to grow
 7 in the shade of the forest. Like high quality coffee, high quality yerba mate is shade-grown in the
 8 rich ecosystem of the rainforest, delivering more flavor and nutritional value. Sheltered from direct
 9 sunlight, which can burn the leaves and make them bitter, rainforest-grown yerba mate leaves are
 10 dark, emerald green and teeming with nutrients and flavor.

11 22. GUAYAKÍ yerba mate is grown, harvested, and dried according to time-honored
 12 traditions. Harvested from the lush subtropical forest, GUAYAKÍ hand-picks only the leaves and
 13 tender stems from the plants. By combining the leaves and tender stems, GUAYAKÍ is able to
 14 produce a yerba mate with a unique, full-flavor and balanced energy. After passing through a flash
 15 heating process to protect the antioxidants and nutritional properties, the yerba mate is dried at low-
 16 temperatures. Finally, the yerba mate is aged for one year in cedar chambers for a smooth, rich and
 17 balanced flavor. Each of GUAYAKÍ's loose yerba mate offerings is created in a unique way.

18 23. In addition to its superior product, GUAYAKÍ becomes intimately involved with its
 19 partnering farmers and encourages cultivation under native rainforest trees, which have been nearly
 20 95% deforested. This promotes the preservation of forests, and in addition, encourages farmers to
 21 reforest native hardwood species. Once a farmer agrees to partner with GUAYAKÍ, it provides
 22 technical advice on how to create nurseries, helps farmers manage the organic growing process from
 23 cultivation through harvest and then buys what they produce. The farmers, in turn, repopulate their
 24 rainforest with the native hardwood trees – which restores the land to its original shaded, biodiverse
 25 state – and provides a living wage and fair working conditions.

26 24. GUAYAKÍ pioneered an innovative business model that directly links customers'
 27 purchases to its partner farming communities in the South American Atlantic Rainforests.
 28 GUAYAKÍ's partners sustainably harvest organic yerba mate from rainforest-grown cultivations

1 and reforestation projects, generating a renewable income stream that enables these communities to
 2 improve their lives and restore their lands.

3 25. Through its thoughtful planning and investment GUAYAKÍ succeeded in obtaining
 4 the prestigious and exclusive Fair for Life - Social & Fair Trade Certification in 2009 – the first Fair
 5 Trade Certified yerba mate supplier in the world to do so. “Fair for Life” is an independent
 6 certification that combines strict standards for social accountability and fair-trade for socially
 7 responsible companies. Fair for Life certification establishes that GUAYAKÍ is committed to
 8 paying fair prices for goods as well as paying fair wages to its employees and supporting the well-
 9 being of the local communities that supply its product chain.

10 26. GUAYAKÍ is committed to the environment for more than just its growth and harvest
 11 of yerba mate. GUAYAKÍ’s restoration projects are primarily based in the lush yerba mate growing
 12 regions of Argentina, Paraguay and Southern Brazil. When GUAYAKÍ yerba mate is harvested, the
 13 trees are carefully pruned for optimum quality and future health of the trees. GUAYAKÍ places a
 14 premium on biodiversity, recognizing that only 7% of the Atlantic Forest remains, and considering it
 15 a priority, responsibility, and ethical imperative to steward this forest. The purchase of a
 16 GUAYAKÍ product helps drive more forest restoration.

17 27. Additionally, GUAYAKÍ focuses on renewable energy sources. GUAYAKÍ’s
 18 corporate offices are 100% renewable through the local power company, mainly utilizing
 19 geothermal power. GUAYAKÍ intends to develop a fossil fuel-free fleet for delivery of all its
 20 products, and approximately 50% of its delivery fleet is electrically-powered. GUAYAKÍ offsets 55
 21 tons of its corporate CO₂ footprint locally, and purchases enough solar power to offset the carbon
 22 energy market in a similar way.

23 28. Recently, GUAYAKÍ also pioneered a groundbreaking biodegradable and
 24 compostable packaging, which breaks down completely in 180 days from discard which allows
 25 GUAYAKÍ to significantly reduce the environmental impact of its packaging – making the new
 26 packaging more eco-friendly than most other products in the market place.

27 29. As a result of these intensive and focused development efforts, GUAYAKÍ has built
 28 loyalty and goodwill among consumers. The commitment of GUAYAKÍ’s customers to the brand

1 shows that consumers care about what is inside the product they purchase and how it is made. This
2 brand goodwill associated with GUAYAKÍ's products has been acquired through considerable
3 expense and sustained effort.

4 30. GUAYAKÍ's customers know that, by choosing GUAYAKÍ yerba mate, they act as a
5 driving force for conservation and community development by paying a fair-trade price for their
6 beverage.

7 31. In order to differentiate itself from competitors in the market and allow customers to
8 instantly recognize GUAYAKÍ yerba mate, GUAYAKÍ deliberately chose a unique and inherently
9 distinctive "look and feel" for its incomparable products. The word GUAYAKÍ, itself, is unusual in
10 that it is unfamiliar to American consumers and its pronunciation is not obvious. It refers to the
11 name given to members of the Guaranian indigenous peoples of the region of Paraguay in which
12 yerba mate has been naturally cultivated. It was chosen specifically for its Paraguayan roots, as a
13 sign of respect to these native peoples, and in an effort to encourage American consumers to learn
14 more about the region and its locals. GUAYAKÍ undertook the additional cost of marketing a
15 product that Americans may not be able to pronounce in order to establish important elements of its
16 products – authenticity, respect for the land, people, and traditions, and a desire to educate its
17 consumers about the product.

18 32. The color and design of GUAYAKÍ's products is especially distinctive to reflect the
19 company's unique corporate values and ethic – focused on energizing and enlightening its
20 consumers. As far back as at least 2009, GUAYAKÍ's can design and bold graphics were
21 recognized, in conjunction with GUAYAKÍ's commitment to sustainability, as a game-changer and
22 key attraction to consumers. Consumers identify GUAYAKÍ's Fair for Life, ethically-sourced
23 organic, fair-trade yerba mate by its unique and proprietary packaging. When consumers look for or
24 describe GUAYAKÍ products, if they do not recognize the product by name, they recognize "the
25 mate in a yellow can I can't pronounce."

26 33. Since its inception, GUAYAKÍ yerba mate has been sold in packaging which focuses
27 on the rich cultural and traditional history of the rainforest from which yerba mate is sourced. The
28 packaging is a bold golden yellow base, evoking feelings of energy and warmth in consumers.

1 GUAYAKÍ YERBA MATE is emblazoned on the packaging in a rust color reminiscent of the
 2 Amazonian soil where yerba mate is grown, surrounded by a strong graphic with a focus on gourd
 3 artists, a reminder of the traditional gourds from which yerba mate is consumed in its native
 4 countries. Directly above its text, centered on the can, is a small icon, that reflects the source of the
 5 beverage. GUAYAKÍ uses a bold, all caps stylized font to identify it as the source of the product on
 6 the front of the label. (Figure 1 depicts GUAYAKÍ product packaging as it appears on the market.)



13 (Figure 1.)

14 34. The combination of the these colors, traditional elements, and unusual name clearly
 15 distinguishes GUAYAKÍ's products from those of other beverage producers on shelves.

16 35. GUAYAKÍ has retained these distinctive features as the prominent design elements of
 17 its GUAYAKÍ yerba mate packaging throughout its 21 years on the market.

18 36. This unique packaging constitutes GUAYAKÍ's distinctive trade dress (the
 19 "GUAYAKÍ Trade Dress"), an important and valuable asset of GUAYAKÍ, and a source-identifier
 20 for GUAYAKÍ yerba mate products.

21 37. The GUAYAKÍ Trade Dress has been used in interstate commerce to identify and
 22 distinguish GUAYAKÍ's products since at least 1996, and serves as a symbol of GUAYAKÍ's
 23 quality, reputation, and goodwill.

24 38. GUAYAKÍ's Trade Dress is distinctive, original, and nonfunctional and has
 25 constituted valuable and protectable trade dress of GUAYAKÍ since a time prior, and at all material
 26 times, to the acts of Defendants complained of herein. Moreover, even if GUAYAKÍ's Trade Dress
 27 were not inherently distinctive, it has acquired a distinctive secondary meaning to purchasers within
 28 the beverage market in which Defendants sell their wares.

1 39. GUAYAKÍ makes use of GUAYAKÍ Trade Dress in interstate commerce by
2 displaying it on product packaging, signage, various promotional materials, public relations and
3 community outreach (including sponsorship of events and causes), as well as various channels of
4 advertising including its extensive social media presence and website.

5 40. GUAYAKÍ has invested substantial time and money developing, using, and otherwise
6 promoting the GUAYAKÍ Trade Dress in the United States in an effort to create a strong association
7 between GUAYAKÍ's fair-trade, sustainably-sourced organic products and services, goodwill, and
8 brand.

9 41. As a result of the conscious strategy employed by GUAYAKÍ in the conduct of its
10 business, and the high quality and sustainable nature of GUAYAKÍ's products and services offered
11 under its Trade Dress, the GUAYAKÍ Trade Dress has acquired secondary meaning throughout the
12 United States including California.

13 42. GUAYAKÍ yerba mate's explosive success in the energy drink and health beverage
14 market is due in significant part to its unique and distinctive Trade Dress that allows consumers to
15 readily associate its products with GUAYAKÍ, and the market's association of GUAYAKÍ Trade
16 Dress with GUAYAKÍ's high quality product and its unmatched dedication to the environment, fair-
17 trade, and the global community.

18 43. In the more than 20 years since GUAYAKÍ began selling its category-defining
19 organic, fair-trade yerba mate, GUAYAKÍ has consistently been a leader within the category.
20 GUAYAKÍ's top-selling flavor profiles include Bluephoria, Orange Exuberance, Revel Berry,
21 Enlighten Mint, and Lemon Elation. In fact, GUAYAKÍ's Lemon Elation was awarded BEST NEW
22 TEA and BEST NEW PACKAGE by BevNET, the leading beverage-oriented media company, in
23 2009.

24 44. Over the course of those years, at times GUAYAKÍ has expanded its yerba mate
25 offerings into sparkling mate, loose leaf mate, mate bags, tereré or cold mate, mate shots, and even
26 branded accessories. With this product expansion, GUAYAKÍ has conscientiously continued its
27 community, fair-trade, and environmentally-focused business model.

DENTONS US LLP
ONE MARKET PLAZA, SPEAR TOWER, 24TH FLOOR
SAN FRANCISCO, CALIFORNIA 94105
(415) 267-4000

1 45. Today, GUAYAKÍ's distributors include such well-known retailers as Whole Foods,
 2 Kroger, Fred Meyers, Safeway, Vons, 7-11, and Walgreens, among others. Each of these retailers
 3 sell GUAYAKÍ yerba mate in various locations throughout the country.

4 46. To complement its recognition as an innovator and fair-trade and sustainability leader,
 5 GUAYAKÍ cultivates a strong social media presence through which it regularly interacts with
 6 customers and sponsors events like marathons, food sustainability conferences, Earth Day activities,
 7 fundraisers, and music, film, and wellness festivals.

8 47. At the center of its social media and community identity is the promotion of
 9 GUAYAKÍ's unique and distinctive packaging of GUAYAKÍ yerba mate.

10 48. For example, GUAYAKÍ uses the Twitter hashtag #ComeToLife, promoted by
 11 GUAYAKÍ's Facebook and Instagram pages, and encourages followers to post photos of themselves
 12 with GUAYAKÍ products including products utilizing the GUAYAKÍ Trade Dress, in the midst of
 13 activities and in locations throughout the country.



27 (Figure 2 depicts several social media posts from GUAYAKÍ customers, depicting the GUAYAKÍ
 28 Trade Dress.)

1 49. GUAYAKÍ also maintains a website located at <http://www.guayaki.com>, where it
 2 integrates the history of GUAYAKÍ and its design elements, including extensively displays of
 3 GUAYAKÍ yerba mate products and the GUAYAKÍ Trade Dress in order to promote its products.

4 **Defendants' Infringing Products**

5 50. NEW AGE was founded in 2003, and is a diversified and publicly traded beverage
 6 corporation. It describes itself as a performance-oriented and metric-driven enterprise. Principally,
 7 it has marketed teas, energy drinks, and flavored waters to consumers throughout the country.

8 51. NEW AGE is well-aware of the success of the GUAYAKÍ Trade Dress, as NEW AGE
 9 distributed GUAYAKÍ yerba mate for more than 10 years. GUAYAKÍ yerba mate is the only yerba
 10 mate NEW AGE has ever marketed or distributed.

11 52. This year, after GUAYAKÍ terminated its relationship with NEW AGE in April 2017,
 12 NEW AGE acquired MARLEY, including the Marley brands in ready-to-drink coffee and relaxation
 13 drinks and teas. According to reports of the acquisition, the first new product in the Marley brand
 14 line to be released under NEW AGE's ownership is Marley yerba mate tea.

15 53. Since its inception, all of the MARLEY product packaging has prominently displayed
 16 the face of iconic reggae legend Bob Marley and "MARLEY BEVERAGE CO" as the source in the
 17 front middle of the package. (Figure 3 below depicts examples of MARLEY beverage packaging.)



25 (Figure 3.)

26 54. Marley yerba mate, in stark contrast, bears no such depiction.

1 55. Apparently seeking to capitalize on GUAYAKÍ's unique goodwill and success in the
 2 yerba mate market, NEW AGE has recently launched its new Marley yerba mate product under an
 3 entirely different logo and package design.

4 56. With its new offering, NEW AGE has abandoned MARLEY's signature packaging
 5 and branding that has been used for nearly a decade in favor of design for its yerba mate packaging
 6 that (as depicted in Figure 4 below) is nearly identical to the GUAYAKÍ Trade Dress.



15 (Figure 4 depicts product packaging for Marley yerba mate.)

16 57. NEW AGE's new Marley yerba mate packaging does not depict Bob Marley, does not
 17 incorporate a silver band bisecting the top and bottom halves of the label, and does not utilize the
 18 flow or swirl nature of Marley's typical fonts.

19 58. Instead, like the GUAYAKÍ Trade Dress, the packaging of the Marley yerba mate
 20 (Figure 4 above) also includes the unusual elements of having a bright yellow background, green
 21 design element on the bottom of the can, and a large, all caps large-serif font in rust color, with an
 22 icon centered directly above its name along with the word "organic" (the "Infringing Trade Dress").

23 59. Upon information and belief, Defendants' decision to offer Marley yerba mate in
 24 strikingly similar trade dress packaging to the GUAYAKÍ Trade Dress is unrelated to any
 25 potentially alleged functional aspect of the trade dress. This is demonstrated by the fact that, prior to
 26 MARLEY's newest venture into the yerba mate market via NEW AGE, all its water, tea, and coffee
 27 drink packaging was completely different than the GUAYAKÍ Trade Dress.

1 60. For example, MARLEY's long-used Bob Marley-emblazoned packaging with the
 2 conspicuous source-identifier "MARLEY BEVERAGE CO" is far less likely to cause customer
 3 confusion. (*See Figure 3.*)

4 61. Indeed, further demonstrating the non-functionality of the Infringing Trade Dress,
 5 Defendant NEW AGE has continued to produce and distribute its mainstream MARLEY relaxation
 6 tea and water drinks and coffee drinks in packaging that is easily distinguishable from GUAYAKÍ
 7 yerba mate. It has chosen only to mimic GUAYAKÍ Trade Dress with the packaging of its new
 8 yerba mate offering.

9 62. Defendants, upon information and belief, have recently begun marketing their yerba
 10 mate to several of the same stores as GUAYAKÍ yerba mate. Upon information and belief, NEW
 11 AGE has begun to sell Marley yerba mate this week, and intends to expand its sale and distribution
 12 nationwide.

13 63. Upon information and belief, prior to the appearance of Defendants' yerba mate on the
 14 market, GUAYAKÍ yerba mate was the only yerba mate featuring a trade dress that combined the
 15 unique and distinctive elements of the GUAYAKÍ Trade Dress.

16 64. Upon information and belief, given the strikingly similar appearance of the product
 17 packaging, Defendants' Infringing Trade Dress has likely already caused confusion, and will
 18 continue to cause confusion, with the GUAYAKÍ Trade Dress. Indeed, a side-by-side comparison
 19 of the packaging for GUAYAKÍ yerba mate and Defendants' yerba mate (Figure 5) illustrates the
 20 many non-functional, distinguishing, attributes the packaging of the companies share.



27 (Figure 5.)
 28

65. The overall appearance of Defendants' infringing yerba mate packaging is nearly identical to the overall appearance of the GUAYAKÍ yerba mate packaging and the GUAYAKÍ Trade Dress.

66. Upon information and belief, Defendants deliberately chose to copy the GUAYAKÍ Trade Dress in an effort to trade on the goodwill, reputation, and success of GUAYAKÍ yerba mate. As challenger brands to GUAYAKÍ's premium product, Defendants are intentionally attempting to confuse consumers with their Infringing Trade Dress and promotional efforts.

67. MARLEY's adoption of an entirely new look for Marley yerba mate demonstrates Defendants' hope to maintain an image of Marley yerba mate as an entity distinct from MARLEY or NEW AGE, and therefore more likely to cause confusion with GUAYAKÍ, in order to confuse and deceive the market as to the source of Marley yerba mate.

68. Defendants have no authority from GUAYAKÍ, directly or indirectly, to utilize the GUAYAKÍ Trade Dress or to license others to do so.

69. Defendants are engaging in the above infringing activities knowingly and intentionally for the purpose of trading on the well-established goodwill and reputation of GUAYAKÍ.

70. For the reasons set forth above, Defendants' activities, *inter alia*, infringe the GUAYAKÍ Trade Dress, which results in irreparable harm to GUAYAKÍ.

71. GUAYAKÍ therefore files this proceeding to protect its rights to its unique and distinctive GUAYAKÍ Trade Dress, to avoid further customer confusion, and to prevent irreparable harm to its brand and its business.

FIRST CLAIM FOR RELIEF
FEDERAL TRADE DRESS INFRINGEMENT, TITLE 15 U.S.C. § 1125(a)

72. GUAYAKÍ incorporates by reference each and every allegation contained in the preceding paragraphs of the Complaint as though fully set forth herein.

73. GUAYAKÍ has established trade dress rights in the GUAYAKÍ Trade Dress.

74. The GUAYAKÍ Trade Dress is not functional and was chosen to serve as an easy source-identifier and to differentiate GUAYAKÍ yerba mate from other yerba mate products on the market.

1 75. The GUAYAKÍ Trade Dress is inherently distinctive, because its unique features
 2 naturally serve to identify GUAYAKÍ as the source of the product to consumers.

3 76. Even if the GUAYAKÍ Trade Dress is not inherently distinctive, it has acquired
 4 secondary meaning through GUAYAKÍ's two decades-long presence as the yerba mate market
 5 leader, as well as its extensive promotional, advertising, marketing (including through social media),
 6 sales, and exclusive use of the GUAYAKÍ Trade Dress.

7 77. Defendants have used or intend to use in commerce the Infringing Trade Dress, which
 8 is nearly identical or confusingly similar to the GUAYAKÍ Trade Dress, in connection with the sale,
 9 offering for sale, distribution, or advertising of yerba mate products under the name Marley.

10 78. As described above, the Infringing Trade Dress shares numerous virtually identical
 11 elements of the GUAYAKÍ Trade Dress.

12 79. Defendants knew or had reason to know of GUAYAKÍ's distinctive trade dress, and
 13 deliberately copied the GUAYAKÍ Trade Dress for Defendants' commercial advantage, in order to
 14 impermissibly benefit from GUAYAKÍ's well-established goodwill, reputation, and success.

15 80. Defendants' imitating and infringing use of identical and substantially similar designs
 16 and placement to the GUAYAKÍ Trade Dress creates a likelihood of confusion, mistake or deception
 17 as to the affiliation, connection, association, origin, sponsorship, approval, commercial activities,
 18 nature, characteristics and qualities of Defendants' goods relative to GUAYAKÍ's goods.

19 81. As a result of Defendants' Infringing Trade Dress, consumers (including distributors,
 20 buyers, and customers) are likely to be and, unless Defendants are restrained, will be, confused about
 21 the origin of Marley yerba mate and about the relationship between Defendants and GUAYAKÍ.

22 82. GUAYAKÍ is being, and will continue to be, damaged by Defendants' acts of
 23 infringement in an amount to be determined at trial.

24 83. Upon information and belief, Defendants' conduct is willful, deliberate, intentional,
 25 and in bad faith.

26 84. By copying, imitating and infringing GUAYAKÍ's protected GUAYAKÍ Trade Dress
 27 in their Infringing Trade Dress, Defendants are engaged in trade dress infringement in violation of the
 28 Lanham Act, 15 U.S.C. § 1125(a).

85. By reason of Defendants' unlawful actions, GUAYAKÍ suffered and continues to suffer irreparable harm including, but not limited to, detriment and diminution in value of its Trade Dress for which there is no adequate remedy at law. Accordingly, GUAYAKÍ is entitled to an injunction against Defendants, pursuant to 15 U.S.C. § 1116.

SECOND CLAIM FOR RELIEF
FEDERAL UNFAIR COMPETITION, TITLE 15 U.S.C. § 1125(a)

86. GUAYAKÍ incorporates by reference each and every allegation contained in the preceding paragraphs of the Complaint as though fully set forth herein.

87. GUAYAKÍ has common law rights to the GUAYAKÍ Trade Dress, which is uniquely associated with GUAYAKÍ as a source of the organic, fair-trade yerba mate offered in connection with such trade dress.

88. The GUAYAKÍ Trade Dress is not functional and is inherently distinctive and/or has acquired distinctiveness.

89. Defendants are using in commerce trade dress which is nearly identical or confusingly similar to the GUAYAKÍ Trade Dress in connection with yerba mate which constitutes a false designation of origin, a false or misleading description of fact, and/or false or misleading representation of fact, and likely has caused and is likely to continue to cause confusion, mistake, and/or deception as to the affiliation, connection or association of Defendants with GUAYAKÍ; the origin, sponsorship, or approval of Defendants or Defendants' products by GUAYAKÍ; and/or the nature, characteristics, or qualities of Defendants' goods that bear the Infringing Trade Dress.

90. The aforesaid acts constitute Federal Unfair Competition in violation of Title 15 U.S.C. § 1125(a).

91. GUAYAKÍ is being, and will continue to be, damaged by Defendants' acts of unfair competition in an amount to be determined at trial.

92. Upon information and belief, Defendants' conduct is willful, deliberate, intentional, and in bad faith.

93. As a result of Defendants' acts, Defendants have caused, and will continue to cause, irreparable harm to GUAYAKÍ and to the goodwill associated with the GUAYAKÍ Trade Dress, for

which GUAYAKÍ has no adequate remedy at law. Thus, GUAYAKÍ is entitled to injunctive and other relief.

THIRD CLAIM FOR RELIEF
COMMON LAW TRADE DRESS INFRINGEMENT UNDER CALIFORNIA LAW

94. GUAYAKÍ incorporates by reference each and every allegation contained in the preceding paragraphs of the Complaint as though fully set forth herein.

95. GUAYAKÍ is the owner of common law rights in and to the GUAYAKÍ Trade Dress, which is uniquely associated with GUAYAKÍ as a source of organic, fair-trade yerba mate offered in connection with the GUAYAKÍ Trade Dress.

96. The GUAYAKÍ Trade Dress is not functional and is inherently distinctive and/or has acquired distinctiveness.

97. GUAYAKÍ has established goodwill associated with the GUAYAKÍ Trade Dress and Defendants are trading upon GUAYAKÍ's goodwill through unauthorized and unlicensed use of GUAYAKÍ's common law trade dress rights in the GUAYAKÍ Trade Dress.

98. Defendants' intentional, unauthorized use of a trade dress which is nearly identical or confusingly similar to the GUAYAKÍ Trade Dress, in connection with the sale, offering for sale, distribution, or advertising of Marley yerba mate is likely to cause confusion, or to cause mistake or to deceive, in violation of California common law.

99. Defendants' intentional, unauthorized use of a trade dress, which is nearly identical or confusingly similar in appearance to the GUAYAKÍ Trade Dress, in connection with the promotion and/or sale of Marley yerba mate, constitutes infringement of GUAYAKÍ's preexisting common law rights in the GUAYAKÍ Trade Dress, which GUAYAKÍ acquired in good faith.

100. Upon information and belief, by deliberately copying the GUAYAKÍ Trade Dress, Defendants willfully, deliberately, maliciously, intentionally, knowingly, and in bad faith violated – and continue to violate – GUAYAKÍ’s common law trade dress rights.

101. As a result of Defendants' acts, each Defendant has caused, and will continue to cause, irreparable harm to GUAYAKÍ and to the goodwill associated with the GUAYAKÍ Trade Dress, for

which GUAYAKÍ has no adequate remedy at law. Thus, GUAYAKÍ is entitled to injunctive and other relief.

FOURTH CLAIM FOR RELIEF
COMMON LAW UNFAIR COMPETITION UNDER CALIFORNIA LAW

102. GUAYAKÍ incorporates by reference each and every allegation contained in the preceding paragraphs of the Complaint as though fully set forth herein.

103. GUAYAKÍ is the owner of common law rights in and to the GUAYAKÍ Trade Dress, which is uniquely associated with GUAYAKÍ as a source of organic, fair-trade yerba mate offered in connection with the GUAYAKÍ Trade Dress.

104. The GUAYAKÍ Trade Dress is not functional and is inherently distinctive and/or has acquired distinctiveness.

105. GUAYAKÍ has established goodwill associated with the GUAYAKÍ Trade Dress and Defendants are trading upon GUAYAKÍ's goodwill through unauthorized and unlicensed use of GUAYAKÍ's common law trade dress rights in the GUAYAKÍ Trade Dress.

106. Upon information and belief, each Defendant has misappropriated the GUAYAKÍ Trade Dress in order to exploit and trade off of GUAYAKÍ's well-established goodwill and reputation in the market.

107. Defendants' conduct, including as described above, has likely caused and will likely continue to cause mistake or confusion or to deceive as to the affiliation, connection, and/or association of Defendants with GUAYAKÍ as to the origin, sponsorship, or approval of Marley yerba mate or Defendants' commercial activities by GUAYAKÍ, and/or as to the nature and quality of Defendants' infringing products, in violation of California common law.

108. Upon information and belief, Defendants' unfair and unlawful conduct, including as described above, is deliberate, knowing, and in willful disregard of GUAYAKÍ's intellectual property rights.

109. Upon information and belief, Defendants' intentional and willful actions set forth above constitute unlawful "passing off" under California unfair competition common law.

110. Defendants' actions have caused and will continue to cause irreparable injury to GUAYAKÍ and have resulted and will continue to result in unjust enrichment to Defendants unless Defendants are restrained and/or enjoined by this Court from further violations of GUAYAKÍ's trade dress rights.

111. As a result of Defendants' acts, Defendants have caused, and will continue to cause, irreparable harm to GUAYAKÍ and to the goodwill associated with the GUAYAKÍ Trade Dress, for which GUAYAKÍ has no adequate remedy at law. Thus, GUAYAKÍ is entitled to injunctive and other relief.

FIFTH CLAIM FOR RELIEF

UNFAIR COMPETITION IN VIOLATION OF CAL. BUS. & PROF. CODE §§ 17200 et seq.

112. GUAYAKÍ incorporates by reference each and every allegation contained in the preceding paragraphs of the Complaint as though fully set forth herein.

113. Defendants' use of the Infringing Trade Dress misleads consumers, by relying on false designations closely resembling the GUAYAKÍ Trade Dress and passing off Defendants' goods as affiliated with GUAYAKÍ, thereby likely causing confusion between the Infringing Trade Dress and the GUAYAKÍ Trade Dress.

114. Defendants' unfair and unlawful conduct, including use of the Infringing Trade Dress, likely causes confusion and deceives purchasers (including distributors, buyers and end customers), and is likely to continue to cause confusion or deceive purchases, as to the affiliation, connection or association of Defendants with GUAYAKÍ, the origin, sponsorship, or approval of Marley yerba mate by GUAYAKÍ, and/or the nature, characteristics, or qualities of Defendants' goods that bear the Infringing Trade Dress.

115. Defendants' infringement of GUAYAKÍ's intellectual property rights, as alleged herein, constitutes unlawful, unfair, fraudulent, unethical, oppressive and deceptive business practices under California Business & Professions Code §§ 17200, *et seq.*

116. Defendants' conduct, as alleged herein, violates and threatens to violate consumer protection laws, including trademark and trade dress laws, and the policy and spirit of such laws, and otherwise threatens or harms competition.

117. Defendants' conduct, as alleged herein, is likely to continue to mislead the general public and, consequently, constitutes a fraudulent business act or practice within the meaning of California Business & Professions Code §§ 17200, *et seq.*

118. These acts will continue to deceive the public, unless enjoined.

119. As a direct and proximate result of Defendants' unfair business practices as alleged herein, GUAYAKÍ has lost money and property and suffered injury in fact, and will continue to suffer irreparable harm for which GUAYAKÍ does not have an adequate remedy at law, and therefore, GUAYAKÍ is entitled to injunctive and other relief.

SIXTH CLAIM FOR RELIEF
UNFAIR COMPETITION (PALMING OFF) UNDER CALIFORNIA COMMON LAW

120. GUAYAKÍ incorporates by reference each and every allegation contained in the preceding paragraphs of the Complaint as though fully set forth herein.

121. GUAYAKÍ enjoys protectable rights in its Trade Dress.

122. GUAYAKÍ has used its GUAYAKÍ Trade Dress in intra and interstate commerce in connection with the advertising and promotion of its goods and services.

123. GUAYAKÍ's use of its GUAYAKÍ Trade Dress has achieved a secondary meaning and is recognized by the public as inextricably connected to GUAYAKÍ.

124. Defendants have used, and continue to use, colorable imitations of the GUAYAKÍ Trade Dress in interstate commerce in connection with the sale, advertising, and promotion of products bearing the Infringing Trade Dress throughout the State of California.

125. Upon information and belief, Defendants' unauthorized use of colorable imitations of the GUAYAKÍ Trade Dress likely caused, and will likely cause, confusion in the relevant consumer market.

126. Upon information and belief, Defendants' unauthorized use of the Infringing Trade Dress constitutes false designation of origin, false or misleading description of fact, and/or false or misleading representation of fact, and has likely caused and is likely will continue to create a likelihood of confusion, mistake or deception as to the affiliation, connection, association, origin,

sponsorship, approval, commercial activities, nature, characteristics and qualities of Defendants' goods relative to GUAYAKÍ's goods.

127. Defendants' imitation of the GUAYAKÍ Trade Dress is nonfunctional and serves no purpose other than identification.

128. Upon information and belief, Defendants' false designations, descriptions, and representations were made deliberately and with knowledge of their falsity.

129. Defendants' actions constitute an unprivileged imitation in violation of California common law.

130. Upon information and belief, Defendants have acted in bad faith and/or willfully in adopting the Infringing Trade Dress in an effort to reap the benefits associated with GUAYAKÍ's Trade Dress.

131. Defendants' infringing acts caused, and will continue to cause, GUAYAKÍ to suffer irreparable injuries to its reputation and goodwill. GUAYAKÍ has no adequate remedy at law to recover for this harm, and therefore GUAYAKÍ is entitled to injunctive relief

PRAYER FOR RELIEF

WHEREFORE, Plaintiff GUAYAKÍ SUSTAINABLE RAINFOREST PRODUCTS, INC.
prays for the following relief:

a. For an order that Defendants, their agents, servants, employees, attorneys and any related companies, and all persons in active concert or participation with one or more of them, be preliminarily and permanently enjoined and restrained from unlawfully using the Infringing Trade Dress and any trade dress that is confusingly similar to GUAYAKÍ's Trade Dress;

b. For an order requiring Defendants to deliver for destruction any and all products or other physical items in Defendants' possession that infringe upon the GUAYAKÍ Trade Dress;

c. For an order requiring an accounting and that Defendants pay over to GUAYAKÍ all monetary gains, profits, and advantages derived by Defendants from the acts complained of herein;

d. For an order disgorging from Defendants all ill-gotten profits gained as a result of Defendants' acts of unfair competition:

- 1 e. For damages incurred by GUAYAKÍ, including enhanced damages (up to treble
2 damages) as authorized under 15 U.S.C. § 1117;
- 3 f. For punitive and exemplary damages to be determined by the Court after a full hearing
4 on the merits;
- 5 g. For GUAYAKÍ's attorneys' fees;
- 6 h. For GUAYAKÍ's costs in this suit;
- 7 i. For prejudgment interest to the maximum extent recoverable by contract or law; and
- 8 j. For such other relief as this Court may deem necessary or appropriate.

9 Dated: August 29, 2017

Respectfully submitted,

10 11 DENTONS US LLP

12 By: /s/ Kelly D. Fair
13 KELLY D. FAIR

14 Counsel for Plaintiff
15 GUAYAKÍ SUSTAINABLE RAINFOREST
16 PRODUCTS, INC.

17 104768411